



# City of Kingsburg

1401 Draper Street, Kingsburg, CA 93631-1908  
(559)897-5821 (559)897-5568

Michelle Roman  
Board Chairperson

BOARD MEMBERS  
Bruce Blayne  
Staci Smith  
Sherman Dix  
Laura North

WEDNESDAY

January 4, 2017

**6:00 P. M.**

Alexander J. Henderson  
Executive Director

**KINGSBURG CITY COUNCIL CHAMBER  
1401 DRAPER STREET**

## **KINGSBURG RDA SUCCESSOR AGENCY BOARD MEETING AGENDA**

No amount of compensation or stipend will be received by any member of the Kingsburg RDA Successor Agency Board as a result of convening the meeting of the Kingsburg RDA Successor Agency Board

- I. Call to order and roll call** – Kingsburg RDA Successor Agency Board Meeting
- II. Public Comments** - Any person may directly address the Kingsburg RDA Successor Agency Meeting at this time on any item on the agenda, or on any item that is within the subject matter jurisdiction of the Kingsburg RDA Successor Agency Board Meeting. A maximum of five minutes is allowed for each speaker.
- III. Approve Agenda** – Action by the Kingsburg RDA Successor Agency Board to approve the agenda or to make modifications. Note: The type of items that can be added to the agenda is constrained by State law.
- IV. a. Consent Calendar** – Items considered routine in nature are to be placed on the Consent Calendar. They will be considered as one item and voted upon in one vote unless individual consideration is requested. Each vote in favor of the Consent Calendar is considered and recorded as a separate affirmative vote in favor of each action listed, except where the item specifically notes a prior recorded opposition or abstention, in which case the present affirmative vote on the Consent Calendar is considered and recorded as reaffirming that prior opposition or abstention. Approval of Consent Calendar items includes recitals reading ordinance(s) by title(s) only and adoption of recommended action(s) contained in staff reports.
  - 1. Approval of RDA Successor Agency Board Meeting Minutes** – Approve the minutes from the June 15, 2016 and December 21, 2016 Board Member Meeting as prepared by Executive Secretary Abigail Palsgaard.

### **V. REGULAR CALENDAR**

- 1. Ordinance 2016-007** – Staff Report Prepared by Planning Consultant Greg Collins

Kingsburg RDA Successor Agency  
Regular Meeting Agenda  
January 4, 2017

Possible Action(s):

- a. Presentation by City Manager Alex Henderson
- b. Council Discussion
- c. Waive the second reading and adopt Ordinance No. 2016-007 of The Kingsburg RDA Successor Agency Approving The Third Amendment To The Disposition And Development Agreement With Kingsburg Senior Village CIC, LP (Successor To Chelsea Investment Corporation) Dated March 20, 2013, with the following recital constituting the reading of the title of the Ordinance:

**“AN ORDINANCE OF THE KINGSBURG RDA SUCCESSOR AGENCY APPROVING THE THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH KINGSBURG SENIOR VILLAGE CIC, LP (SUCCESSOR TO CHELSEA INVESTMENT CORPORATION) DATED MARCH 20, 2013”**

**VI.    Unscheduled Board Member Reports and Staff Communications.**

**VII.   Adjournment** - Adjourn the Kingsburg RDA Successor Agency Board meeting into the Kingsburg City Council Regular Meeting.

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| Any writings or documents provided to a majority of the Kingsburg RDA Successor Agency regarding any item on the agenda will be made available for public inspection in the Executive Secretary's office located at 1401 Draper Street during normal business hours. |
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**KINGSBURG CITY COUNCIL  
REGULAR MEETING  
JUNE 15, 2016  
6:00 P. M.**

**JOINT MEETING OF THE KINGSBURG CITY COUNCIL,  
THE KINGSBURG REDEVELOPMENT SUCCESSOR AGENCY, and  
THE KINGSBURG JOINT POWERS AUTHORITY.**

Invocation was given by Pastor Grant Thiesen of New Life Ministries, followed by the Pledge of Allegiance led by Mayor Bruce Blayney.

**6:00 P.M. REGULAR MEETING**

**Call to order:** Mayor Blayney called the Joint Meeting of the Kingsburg City Council, the Kingsburg Redevelopment Successor Agency and the Kingsburg Joint Powers Authority at 6:01pm.

**Council Members/Directors Present:** Ben Creighton, Staci Smith, Sherman Dix, Michelle Roman and Mayor/Chairman Bruce Blayney.

**Council Members/Directors Absent:** None.

**Staff Present:** City Manager Alex Henderson, City Attorney Mike Noland, Police Chief Neil Dadian, Fire Chief Tim Ray, Finance Director Maggie Moreno, Planning Director Holly Owen, City Engineer Dave Peters, Fire Captain Russ Davis and Fire Captain Wayne Osborne.

**Public Comments:** None.

**Approve Agenda:** A motion was made by Council Member/Director Roman, seconded by Council Member/Director Dix, to approve the agenda, with the amendment of moving the recognition of Fire Captain Davis as Regular Calendar Item 3 and the pinning of new full time firefighters as Regular Calendar Item 1 at the request of Fire Chief Tim Ray. The motion carried by unanimous voice vote.

**Consent Calendar:** A motion was made by City Council Member Creighton, seconded by Council Member Smith, to approve the Consent Calendar, as published. The motion carried by unanimous vote.

**(To be approved only by City Council)**

- 1. Approval of City Council Minutes** – Approve the minutes from the regular meeting held on June 1, 2016 as prepared by City Clerk Abigail Palsgaard.
- 2. Check Register**– Ratify/approve payment of bills listed on the check register for the period May 26, 2016 through June 9, 2016 as prepared by Accounts Payable Clerk Grace Reyna.
- 3. TCP-123 Well Mitigation Final Report**- Approve the TCP-123 Well Mitigation Final Report.

4. **Fresno/Madera Area Agency on Aging (FMAAA) Contract** – Adopt Resolution No. 2016-032 authorizing Ashlee Schmal, Community Services and Senior Citizens Coordinator, to execute contract(s) with FMAAA for the fiscal year beginning July 1, 2016 to June 30, 2017, including any subsequent amendments and all the necessary supporting documents.
5. **Initiate Annexation of Territory into Landscape Assessment District No. 93-01 as Annexation No. 14.** - Staff Report prepared by Finance Director Maggie Moreno.
  - a. **Approve Resolution 2016-033-** Approve Resolution 2016-033 of the City Council of the City of Kingsburg initiating proceedings for the approval of the annexation of territory into Kingsburg Landscape Assessment District No. 93-01, as Annexation No. 14, and the levy and collection of assessments within such annexation for Fiscal Year 2016/2017 pursuant to the landscaping and lighting act of 1972, Part 2 of Division 15 of the California Streets and Highways Code and as provided by Article XIII D of the California Constitution, and ordering the preparation of an engineer's report in connection therewith.
  - b. **Approve Resolution 2016-034-** Approve Resolution 2016-034 of the City Council of the City of Kingsburg preliminarily approving the report of the engineer in connection with the approval of the annexation of territory into Kingsburg Landscape Assessment District No. 93-01, as Annexation No. 14, and the levy and collection of assessments within such annexation for Fiscal Year 2016/2017 pursuant to the Landscaping and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code and as provided by Article XIII D of the California Constitution.
  - c. **Approve Resolution 2016-035-** Approve Resolution 2016-035 of the City Council of the City of Kingsburg declaring its intention to order the approval of the annexation of territory into Kingsburg Landscape Assessment District No. 93-01, as Annexation No. 14, to levy and collect assessments within such annexation for Fiscal Year 2016/2017 pursuant to the Landscaping and Lighting act of 1972, Part 2 of Division 15 of the California Streets and Highways Code and as provided by Article XIII D of the California Constitution, and appointing a time and place for hearing protests.
6. **Reject All Bids for Sierra Street Reconstruction & 6th Avenue Drive Rehabilitation – Federal Project No. STPL 5170 (043) & (049)** - Staff Report prepared by City Engineer Dave Peters

**(To be approved only by Kingsburg Redevelopment Successor Agency)**

7. **Approval of Kingsburg Redevelopment Successor Agency Minutes** – Approve the minutes from the regular meeting held on June 17, 2015 as prepared by Planning Secretary Mary Colby.

**(To be approved only by Kingsburg Joint Powers Authority)**

- 8. Approval of Kingsburg Joint Powers Authority Minutes** – Approve the minutes from the regular meeting held on June 17, 2015 as prepared by Planning Secretary Mary Colby.

**b. Pulled Consent Calendar Items: None**

**REGULAR CALENDAR**

**Pinning of new full time firefighters Joey Frankmore, Robert Johnson and Curtis Rusk**

Fire Chief Tim Ray introduced the new full time firefighters, all who were reserves and now have been promoted to full time. Fire Captain Russ Davis ceremonially swore in the firefighters. Badges were pinned by family members.

**Fire Department Promotion of Kevin Clark to Captain**

Fire Chief Tim Ray spoke about Kevin Clark's commendable 13 years of service to the Kingsburg Fire Department and his experience and how proud he is of his development and leadership. Kevin Clark was promoted to Fire Captain and was pinned with Bugles representing his rank and was given his 10 year pin.

**Recognition of Retiring Fire Captain Russ Davis**

Fire Chief Tim Ray presented Fire Captain Russ Davis with a certificate of appreciation for the oldest firefighter alive in jest. Captain Davis was presented with a certificate and a pin for his honorable 25 years of service to the Kingsburg Fire Department and the Kingsburg community.

Mayor Blayney Presented a Proclamation honoring Fire Captain Davis' and reminisced about their time together while Mayor Blayney was a volunteer fire fighter.

Fire Captain Russ Davis thanked everyone there, Mayor, Council and his firefighter brothers.

**PUBLIC HEARING Continued from 6/1/2016 – Awarding of Competitive Allocations for Residential Development for 2016 (Action only by the City Council)**

Re-Open Public Hearing 6:35pm

Planning Consultant Holly Owen said that this process is a calendar driven action governed by the City's Growth Management Ordinance. She said Staff requested applicants submit letters of understanding, which they did. She said Staff changed the wording in the resolution to 'up to a maximum of 301 allocations' and that all projects must follow the North Kingsburg Specific Plan, state and federal law. The growth management process was voted on in 2004 by the citizens and this is the process that was approved. Ms. Owen then displayed a timeline showing when the public input will be received.

Council Discussion 6:43pm

Council Member Dix asked about dates and allocations expiring. Planning Consultant Owen said to her knowledge an extension can be requested.

Council Member Roman said she meet with the Jack Shantz and she wanted to bring forward the concerns that are in the letter they received.

Council Member Dix asked the reason for the map. Ms. Owen said it is for the general layout, it is almost like a place holder. Council Member Roman said she appreciated the staff listening to the citizen's concerns by changing the wording to 'up to'. Council Member Dix asked if the purpose of the map is to rate the projects in case there is was a competitive process. Ms. Owen said yes. Mayor Blayney said he received request for private meetings and correspondences. He said this is only a conceptual map. All this does is give people allocations. Council Member Dix asked at what point is the density, traffic control come into play. Ms. Owen said at the environmental review noise, air quality, and public safety all come into play. All documents will be available to the public and the effected jurisdictions. Mayor Blayney said the first step is letter of intent, and if approved receiving allotments. Then there will be a site plan review with the environmental report. Ms. Owen said site plan review has members of the community, staff and they will let the developer know what needs to be done. Mayor Blayney said at that time the developer has to conform to the requests. If approved it will then forwarded to the Planning Commission. Ms. Owen said if they meet the conditions of approval then it will be brought to the Planning Commission. Mayor Blayney said after it comes out of site plan, then it will be reviewed in the Planning Commission which will be a public hearing that will be noticed. If approved by the Planning Commission, it would next go to City Council. If City Council approves it then it goes to LAFco for approval and annexation.

Re-Open Public Comment: 6:57pm

Lorren Smith, Harbour & Associates, Clovis California, said his firm is working with Mr. Erickson and Mr. Nelson. He is happy to answer any questions.

Teresa Schreiner, 2641 19<sup>th</sup> Ave., did read the North Kingsburg Specific Plan, asks that it will be postponed 6 months. Thinks 60 lots are too many.

Larry Mitchell, 2621 19<sup>th</sup> Ave., has a problem with the access roads and traffic. His concern is when all is said and done and they will have to live with it. The mix of multifamily housing in residential doesn't seem like it is the right thing to do. He is worried about parks.

Dave Crinklaw, 13837 Zediker, West Start Construction, spoke about being around while the North Kingsburg Specific Plan was being formed, he lives in the area, understands Kingsburg, and that the map is conceptual.

Don Pauley, 2380 Howard Street, spoke about different sections of the General Plan and his concerns from these potential developments and traffic systems, land use and public right of ways.

Melvin Enns, 1911 Bergren Ct., said he is addressing specifically the Nelson Tract. He then read off quotes he wrote down from the first meeting. He said he is asking for clarity. He is asking them to wait on the Nelson plan.

Mayor Blayney said he wants to make sure the public understands council can't discuss matters of the continued public hearing privately without reporting to council at the public hearing. In his opinion he

didn't want to be accused of having closed door meetings. Council Member Dix said he wanted to make sure the public understood this.

Paul Kruper, 2601 19<sup>th</sup>, wanted to discuss how the maps came before council in the state that they were in, why is there not somewhat of a screening process. He suggested less allocations. Appreciates Holly Owen for getting letters of understanding from developers.

Council Member Roman asked if the Planning Commission voted on the allocations.

Planning Consultant Owen said yes.

Jack Shantz, 2651 19<sup>th</sup>, spoke about meeting with Michelle Roman. He said he is asking to wait or get the numbers to a more reasonable number. Appreciated having the letters from the developers.

Close Public Comment: 7:30pm.

Continued Council Discussion

Mayor Blayney asked Staff if the Planning Commission can reject the map after Site Plan Review.

City Attorney Mike Noland said if the environmental document is insufficient, or if it doesn't conform to North Kingsburg Specific Plan, City Code, state laws then they can.

Council Member Dix asked if there are subjective measures for approval.

City Attorney Mike Noland said Planning Commission is not bound by Staff and can look at the map and then make their determination.

Council Member Dix asked if the conceptual map was required.

Planning Consultant Owen said yes.

Mayor Blayney said if the Planning Commission approves it and it comes to Council and then it has to go in front of LAFCo., could it be stopped at the Council level?

City Attorney Mike Noland said yes, along with the planned annexation. Council would have to approve it to move forward.

Council Member Creighton said we can't issue the allotments without maps. We can be certain that concerns will be addressed. He said I understand we can't go anywhere without this process.

Planning Consultant Owen said the Planning Department and Staff want the best projects for the City.

Council Member Roman said she is not against any new tracts going in. She wants to make it sure it is done the right way. Said she understands we are talking about the allocations. She said she understands the citizens' concerns.



Council Member Dix said before the growth management plan, there was a process, and that process is still in place.

Close Public Hearing: 7:46pm

Council Member Roman made a motion to approve the allocation with amending the amount allowed to the Gary Nelson project to 54, Council Member Creighton seconded it.

Council discussed the amended recommendation. Mayor Blayney said he trusts our staff and that is not the map he would expect to be brought back to the Planning Commission. He doesn't feel comfortable re-doing other people's map from the dais.

Council Member Creighton said he doesn't feel comfortable changing one person's map when we just said the maps do not mean anything.

Council Member Dix said he doesn't want to set a precedent that you go to the City and ask what can you do and then go in front of Council and then it all goes up in the air.

The motion on the proposed amendment to Resolution 2016-030, changing the Nelson property allotment to 54 did not carry, with one vote in favor by Council Member Roman and the remainder of the Council Members voting no.

A motion was made by City Council Member Dix, seconded by Council Member Smith, to adopt Resolution 2016-030 recommending awarding of up to a maximum of 301 housing units as the 2016 housing unit allocation, as published. The motion carried by four in favor and Council Member Roman voting no. by Council Member Creighton, Council Member Smith, Council Member Dix and Mayor Blayney

## **PUBLIC HEARING - Fiscal Year 2016/2017 Budget Review**

Open Public Hearing: 7:54pm

City Manager Alexander Henderson spoke about revenues being over the estimate by \$400,000 for this year. He said for this coming year there is over \$1.5 million for public projects. He said there was a small surplus. He said the actual document was revamped this year with a new format. He said there are now case studies to show how we got to where we are at in the budget. He spoke about the positive improvement of the ambulance program and the Federally funded street improvements. He said the City will be submitting this year's budget for GFOA award. In this year's budget there are adjustments to purchasing policies to assist with bond rating.

Council Discussion: 7:57pm

Council Member Creighton said it is an impressive piece of work. Mayor Blayney said Finance Director Maggie Moreno put in a lot of hours. Council Member Roman thanked staff.

Open Public Comment: 7:58pm

Close Public Comment: 7:58pm



Continued Council Discussion: 7:58pm

Close Public Hearing: 7:58pm

A motion was made by Council Member Roman, seconded by Council Member Creighton to adopt Resolution No. 2016-036 approving the City of Kingsburg 2016/2017 Fiscal Year Budget; including the Kingsburg Public Finance Authority and Kingsburg Redevelopment Successor Agency budgets. The motion carried by unanimous voice vote.

**PUBLIC HEARING –Deleting Section 6.04.050 And Adding Section 6.04.170 To Chapter 6.04 Of Title 6 Of The Kingsburg Municipal Code Pertaining To Keeping Of Animals In The City Limits (Action only by the City Council)**

Open Public Hearing: 8:00pm

City Manager Alex Henderson said Staff cleaned up the language in the ordinance. The ordinance kept the provision of no roosters, the limit of 5 chicken hens, chicken permit fees, coop regulations and added all adjacent property owners to sign off to keep chicken legally.

Council Discussion: 8:02pm

The Council members discussed what properties would have to sign off on the chicken permit. Council asked if it included across the street and across the alley way.

City Attorney Mike Noland said we could add the wording ‘directly across the street’ to the ordinance.

Council Member Roman said citizens are concerned because of the smell, even if a neighbor is across the street. She said she is already concerned about dogs and would like to talk about chickens later on.

Open Public Comment: 8:11pm

Margie Smith, 641 12<sup>th</sup>, said cats and dogs will try to get to chickens. Worried about diseases. She is against chickens.

Jack Shantz, 2651 19<sup>th</sup>, against chickens, spoke about chickens in Sacramento, thinks it is going to back fire, asking them to put chickens on the back burner.

Don Pauley, 2380 Howard Street, aware of the social changes. Recommends everyone in a 350 feet radius gets noticed. Doesn’t think there is the staff to handle this. He doesn’t want to put neighbor vs. neighbor.

Teresa Lipschitz, 2150 Howard, People are mad that the dog park closed and she thinks the smell will be worse. No dog park, no chickens.

Close Public Comment: 8:22pm.

Continued Council Discussion

Council Member Roman asked about fines. Mayor Blayney said he would like to amend the notice radius to 150 feet.

Council Member Dix said he went to a friend's house that had chickens, couldn't smell them or hear them. Thinks noticing neighbors are good ideas.

Council Member Creighton said he is worried about pitting neighbors against each other.

Council Member Dix said he is worried about stray cats and dogs.

Close Public Hearing: 8:29pm

Mayor Blayney motioned to amend the ordinance to notify neighbors for their approval within 225 feet of the chicken property, and waive the first reading and introduce Ordinance No. 2016-003 Deleting Section 6.04.050 And Adding Section 6.04.170 To Chapter 6.04 Of Title 6 Of The Kingsburg Municipal Code, and pass to a second reading and adopt Resolution No. 2016-037 approving the Chicken Permit fee.

Council discussed the proposed amendment. Council Member Dix said he is open to allowing chickens but a lot of people have reached out regarding stray dogs and stray cats.

The motion on the amended ordinance did not carry with two vote is in favor from Council Member Smith and Mayor Blayney and and the remainder of the Council Members voting no.

**Crime Statistics report for the Month of May 2016**

Chief of Police Neil Dadian spoke about how the statistic of domestic violence is under assault. He said there has been a decrease in residential and commercial burglaries and an increase in grand thefts and scams. Chief Dadian said there are still vehicle thefts from citizens who left their cars with the keys in and running. He said there has been a decrease in calls for service, and he asked Records Supervisor Padilla if she knew why and he was notified that before Fresno County Sheriff Office ("FSO") took over dispatch the previous directive was enter a call for service for lobby traffic. He said he didn't know this was happening. Chief Dadian said there has been no issues or complaints from FSO. Chief Dadian said FSO recently reported 98% of 911 calls are answered and dispatched in 40 seconds. He spoke about Facebook followers which are over 3,000, and increasing as well as app subscribers. There are 13 applicants for police officers and they are good quality. Spoke about the shooting in Orlando. FBI has three levels of terrorist watching, if no criminal information comes from the initial look they cannot proceed to watch the person. He said he believes in "you see something you say something" and that he is going to be promoting that. He said he has an officer in a terrorist liaison group and that he pays attention to terrorism, it all starts local somewhere.

**Council Reports and Staff Communications**

Community Services Commission

Council Member Roman said the next meeting is 6/27/16.

Public Safety Committee

Council Member Creighton said they have met and discussed a possible upcoming project.

Kingsburg City Council  
Joint Meeting Minutes  
June 15, 2016

Chamber of Commerce

Council Member Smith said they met yesterday and that the Swedish festival was a success. She said the next mixer is at Malan's next week. Upcoming events are the Independence Day Celebration on 7/3/2016, band concerts are starting, and the Tour de Fresno is starting here.

Economic Development

Council Member Roman said they meet next on 6/30/2016.

Finance Committee

Mayor Blayney said they haven't met since the last meeting. He appreciates staff effort on the budget.

Planning Commission

Mayor Blayney said they haven't meet and that the next meeting is July 12, 2016.

City Manager's Report

The City Manager said the alley ways are being repair off of draper. California street repair will begin on 6/21/2016 (Monday). He said he has been working with the railroad to have them remove the poles.

Council Member Roman said Larry Esau was able to have someone donate a Dalla Horse.

**Other Business as May Properly Come Before the City Council**

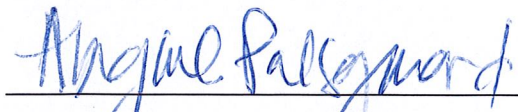
Council Member Smith said this Monday is the Big Band from Sweden, and the Midsummer is coming up Saturday June 24.

The July 20, 2016 Regular Meeting is canceled to August 3, 2016.

**Adjourn Joint Meeting of The Kingsburg City Council, Board of Directors of The City of Kingsburg Public Financing Authority and the Board of Directors of The Kingsburg Redevelopment Successory Agency.**

The Meeting was adjourned at 8:55pm.

Submitted by:

  
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**Abigail Palsgaard, City Clerk**

**KINGSBURG RDA SUCCESSOR AGENCY  
BOARD MEETING MINUTES  
DECEMBER 21, 2016**

No amount of compensation or stipend will be received by any member of the Kingsburg RDA Successor Agency Board as a result of convening the meeting of the Kingsburg RDA Successor Agency Board

**Call to order and roll call** – The meeting was called to order at 6:29 pm by Board Chairperson Michelle Roman.

**Board Members Present:** Laura North, Sherman Dix, Staci Smith, Bruce Blayney, and Michelle Roman.

**Staff present:** Executive Director Alex Henderson, Legal Counsel Michael Noland, and Executive Secretary Abigail Palsgaard.

**Public Comments:** None.

**Approve Agenda** – A motion was made by Board Member Smith, seconded by Board Member Dix, to approve the Agenda, as published. The motion carried by unanimous voice vote.

**PUBLIC HEARING – Approval of the THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT between the Kingsburg RDA Successor Agency and Kingsburg Senior Village CIC, LP (successor to Chelsea Investment Corporation) dated March 20, 2013 for the 48-unit multi-family development located on Sierra Street (APN 396-020-17).**

**Open Public Hearing** – At 6:30 P. M. Board Chairperson Michelle Roman opened the Public Hearing.

Executive Director Alexander Henderson explained that this third potential Amendment allows the Agreement to extend into 2017 to be eligible for another opportunity to fund this project.

Jane Blake with Chelsea Investment Corp. explained that this project has been postponed due to financing. HOME funds went to the Marion Villas Project. We weren't able to apply for tax credits while Marion Villas was being constructed. They have been looking at other options for financing. Senior development is hard to fund. They have an opportunity to get \$1,000,000 of HOME funds and a high possibility of getting tax credits if they get HOME funds.

**Agency Discussion**

Board Member Dix asked what the timeline will be if they are successful in getting funding. Jane Blake said they will find out in March if they get the tax credit and would get the money in June. They would start construction by winter 2017 and have the project completed by August 2018.

**Open Public Comment – 6:38 P. M. - None**

**Close Public Comment – 6:38 P. M.**

**Continued Agency Discussion - None**

**Close Public Hearing - 6:38**

A motion was made by Board Member Blayney, seconded by Board Member Smith, to Approve the Third Amendment to Disposition and Development Agreement between the Kingsburg RDA Successor Agency and Kingsburg Senior Village CIC, LP (successor to Chelsea Investment Corporation) dated March 20, 2013 for the 48- unit multi-family development located on Sierra Street (APN 396-020-17). The motion carried by unanimous voice vote.

A motion was made by Board Member Blayney, seconded by Board Member Smith, to waive the first reading and introduce Ordinance No. 2016-007 of The Kingsburg RDA Successor Agency Approving the Third Amendment To The Disposition And Development Agreement With Kingsburg Senior Village CIC, LP (Successor To Chelsea Investment Corporation) Dated March 20, 2013, and pass to a second reading with the following recital constituting the first reading of the title of the Ordinance:

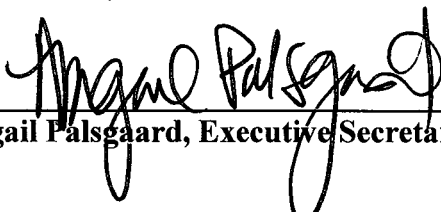
**“AN ORDINANCE OF THE KINGSBURG RDA SUCCESSOR AGENCY APPROVING THE  
THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT WITH  
KINGSBURG SENIOR VILLAGE CIC, LP (SUCCESSOR TO CHELSEA INVESTMENT  
CORPORATION) DATED MARCH 20, 2013”**

The motion carried by unanimous voice vote.

**Unscheduled Board Member Reports and Staff Communications – None**

**Adjournment** – At 6:39 pm Board Chairperson Michelle Roman adjourned the Kingsburg RDA Successor Agency Board Meeting into the Kingsburg City Council Regular Meeting.

**Submitted by:**

  
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Abigail Palsgaard, Executive Secretary





Meeting Date: 01/04/2017  
Agenda Item: V 1.

## KINGSBURG RDA SUCCESSOR AGENCY STAFF REPORT

REPORT TO: Kingsburg RDA Successor Agency

REPORT FROM: Greg Collins, Contract City Planner

REVIEWED BY:

AGENDA ITEM: Approval of the **THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT** between the Kingsburg RDA Successor Agency and Kingsburg Senior Village CIC, LP (successor to Chelsea Investment Corporation) dated March 20, 2013 for the 48 unit multi-family development located on Sierra Street (APN 396-020-17).

SUBJECT: **ORDINANCE NO. 2016-007, THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT** between the Kingsburg RDA Successor Agency and Kingsburg Senior Village CIC, LP (successor to Chelsea Investment Corporation)

ACTION REQUESTED: ☒ Ordinance ☐ Resolution ☒ Motion ☐ Receive/File

### EXECUTIVE SUMMARY

The Kingsburg RDA Successor Agency entered into a Development and Disposition Agreement (DDA) with the Chelsea Investment Corporation (Developer) on March 20, 2013. This DDA involved the construction of 48 multi-family units on 4.84 acres located on the corner of Sierra Street and Madison Avenue in Kingsburg. The Developer wishes to amend said DDA ("**Third Amendment**") to extend said Agreement through the Year 2017 in order to provide the Developer an opportunity to make an application to the California Tax Credit Allocation Committee (CTCAC) for a Tax Credit Allocation. The Developer had been granted two subsequent amendments - July 13, 2013 and November 19, 2014.

As drafted, the proposed DDA Amendment ("**Third Amendment**") shall terminate if the Developer is unsuccessful in securing a Tax Credit Allocation by the end of 2017.

### RECOMMENDED ACTION BY RDA SUCCESSOR AGENCY

1. Waive the second reading of the attached Ordinance No. 2016-007 and adopt the ordinance.

### ALTERNATIVE ACTION(S)

1. The RDA Successor Agency may elect to not amend the Chelsea Investment Corporation DDA, which will free the Agency to consider other development alternatives for the subject property.

## **FINANCIAL INFORMATION**

### **FISCAL IMPACT:**

- |                              |    |
|------------------------------|----|
| 1. Is There A Fiscal Impact? | No |
| 2. Is it Currently Budgeted? | No |
| 3. If Budgeted, Which Line?  | No |

## **BACKGROUND**

Jeanne Blake from Chelsea Investment Corporation contacted the Planning Department this last month to inform this office that Chelsea has the opportunity to apply for HOME funds through Fresno County. Potentially, this could be an infusion of one million dollars into the Project.

To make an application for these funds, Chelsea needs to amend the most recent DDA, which will terminate at the end of 2016, to extend the life of the DDA for another calendar year, through 2017. If Chelsea is not successful in securing HOME funds in 2017 the DDA would expire and the RDA Agency would be free to seek alternatives for the development of the subject property. The same funds were used for the Marion Villas project.

## **PRIOR ACTION (S)/REVIEW**

On March 20, 2013, Kingsburg RDA Successor Agency ("**Successor Agency**") and Chelsea Investment Corporation, a California corporation ("**CIC**"), as predecessor-in-interest to Kingsburg Senior Village CIC, LP ("**Developer**") entered into that certain Disposition and Development Agreement ("**Original Agreement**"), pursuant to which the Successor Agency agreed to sell to Developer certain real property ("**Property**") located in the City of Kingsburg, County of Fresno, California, APN: 396-020-17 and more particularly described in Exhibit "A" to the Original Agreement. Pursuant to the provisions to the Original Agreement, the Developer agreed to develop the Property by constructing thereon a forty-eight (48) unit multi-family apartment complex for very low and low income persons ages fifty-five (55) and older and as more particularly described in the Original Agreement ("**Project**"). The Original Agreement was assigned from CIC to Developer pursuant to that certain Assignment and Assumption Agreement dated March 22, 2013.

On July 17, 2013, the Successor Agency and Developer entered into that certain First Amendment to Disposition and Development Agreement which amended Section 5.1 of the Original Agreement to provide Developer with additional time to submit its application for 9% Tax Credits to the California Tax Allocation Committee and amended Exhibit "B" to the Original Agreement as set forth in the First Amendment

On November 19, 2014, the Successor Agency and Developer entered into that certain Second Amendment to Disposition and Development Agreement which amended Section 5.1 of the Original Agreement to provide Developer with additional time to submit its application for 9% Tax Credits to the California Tax Allocation Committee and amended Exhibit "B" to the Original Agreement as set forth in the Second Amendment

Successor Agency and Developer desire to again amend the Original Agreement to provide Developer with additional time to submit its application for 9% Tax Credits to the California Tax Credit Allocation Committee in the year 2017 and to revise the time lines in Exhibit "B" to the Original Agreement



accordingly and in accordance with that certain Third Amendment to Disposition and Development Agreement ("**Third Amendment**"). Other than extending the time within which the Developer may submit its application for 9% Tax Credits to the California Tax Credit Allocation Committee and revising the time lines accordingly as identified in Exhibit "B" to the Original Agreement, the Third Amendment does not, in any way, revise, alter or otherwise change the Project.

On December 21, 2016 The RDA Successor Agency waived the first reading and passed the ordinance to the second reading.

**ENVIRONMENTAL REVIEW:**

In accordance with the California Environmental Quality Act (CEQA) an initial study was prepared for the Project. The initial study indicated that the Project would not result in any environmental impacts; therefore Negative Declaration was adopted by the Kingsburg RDA Successor Agency on March 6, 2013. The Third Amendment does not revise, alter or otherwise change the Project. Therefore, no other environmental review or document is required.

Staff recommends the Successor Agency waive the second reading and approve the attached ordinance that approves the Third Amendment.

**ATTACHED INFORMATION**

1. Ordinance of the Kingsburg RDA Successor Agency

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1 application for 9% Tax Credits to the California Tax Allocation Committee and amended Exhibit  
2 "B" to the Original Agreement as set forth in the Second Amendment

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4 WHEREAS, Successor Agency and Developer desire to again amend the Original  
5 Agreement to provide Developer with additional time to submit its application for 9% Tax  
6 Credits to the California Tax Credit Allocation Committee in accordance with that certain Third  
7 Amendment to Disposition and Development Agreement ("**Third Amendment**") attached to  
8 this Ordinance as Exhibit "A" and made a part hereof. Other than extending the time within  
9 which the Developer may submit its application for 9% Tax Credits to the California Tax Credit  
10 Allocation Committee and revision of certain dates in Exhibit "B" to the Original Agreement,  
11 the Third Amendment does not, in any way, revise, alter or otherwise change the Project.

12  
13 NOW THEREFORE, the Successor Agency does ordain as follows:

14 **Section 1.** The Third Amendment is approved and the Chairman and Clerk of the  
15 Successor Agency are authorized and instructed to execute the Third Amendment on behalf of  
16 the Agency.

17 **Section 2.** This ordinance shall take effect thirty (30) days after its passage and shall be  
18 published with the Kingsburg Recorder within fifteen (15) days after its passage.

19  
20 **PASSED AND ADOPTED** at a regular meeting of the Kingsburg RDA Successor  
21 Agency duly called and held on the 4<sup>th</sup> day of January, 2017, by the following vote:

|             |               |       |
|-------------|---------------|-------|
| 22 AYES:    | Agency Member | _____ |
| 23          |               | _____ |
| 24 NOES:    | Agency Member | _____ |
| 25 ABSTAIN: | Agency Member | _____ |
| 26 ABSENT:  | Agency Member | _____ |

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APPROVED

\_\_\_\_\_  
Board Chairman Michelle Roman

ATTEST: \_\_\_\_\_  
Agency Clerk Abigail Palsgaard

STATE OF CALIFORNIA )  
COUNTY OF FRESNO )  
CITY OF KINGSBURG )

I, **ABIGAIL PALSGAARD**, Clerk of the Kingsburg RDA Successor Agency, do hereby certify the foregoing ordinance was duly introduced at a regular meeting of the Kingsburg RDA Successor Agency on the 21<sup>st</sup> day of December, 2016, and it was duly passed and adopted at a regular meeting of Kingsburg RDA Successor Agency held on the 4<sup>th</sup> day of January, 2017.

Dated: January 4, 2016

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Abigail Palsgaard, Agency Clerk

**EXHIBIT "A"**

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Recording Requested By:

112816

KINGSBURG RDA

SUCCESSOR AGENCY

When Recorded Return To:

KINGSBURG RDA

SUCCESSOR AGENCY

Attn: Agency Clerk

1401 Draper Street

Kingsburg, CA 93631

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### THIRD AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

This Third Amendment to Disposition and Development Agreement ("**Amendment**") is entered into as of December 21, 2016 (the "**Effective Date**") by the KINGSBURG RDA SUCCESSOR AGENCY, established by Resolution of the Kingsburg City Council (Resolution No. 2012-11), in accordance with the applicable provisions California Health and Safety Code Section 34173(d)(1) ("**Successor Agency**"), and KINGSBURG SENIOR VILLAGE CIC, LP, a California limited partnership ("**Developer**"), pursuant to Article 2.5 of Chapter 4 of Division 1 of Title 7, Sections 65864 through 65869.5 of the California Government Code.

### RECITALS

A. On March 20, 2013, Successor Agency and Chelsea Investment Corporation, a California corporation ("**CIC**", as predecessor-in-interest to Developer) entered into that certain Disposition and Development Agreement (the "**Original Agreement**"), pursuant to which the Successor Agency agreed to sell to Developer certain real property ("**Property**") located in the City of Kingsburg, County of Fresno, California, APN: 396-020-17 and more particularly described in Exhibit "A" which is attached hereto and made a part hereof and Developer agreed to develop the Property by constructing thereon a forty-eight (48) unit multi-family apartment complex for very low and low income persons ages fifty-five (55) and older and as more particularly described in the Original Agreement. The Original Agreement was assigned by CIC to Developer pursuant to that certain Assignment and Assumption Agreement dated March 22, 2013.

B. On July 17, 2013, the Successor Agency and Developer entered into that certain First Amendment to Disposition and Development Agreement which amended Section 5.1 of the Original Agreement to provide Developer with additional time to submit its application for 9% Tax Credits to the California Tax Allocation Committee and amended Exhibit "B" to the Original Agreement as set forth in the First Amendment

C. On November 19, 2014, the Successor Agency and Developer entered into that certain Second Amendment to Disposition and Development Agreement which amended Section 5.1 of the Original Agreement to provide Developer with additional time to submit its application for 9% Tax Credits to the California Tax Allocation Committee and amended Exhibit "B" to the Original Agreement as set forth in the Second Amendment

D. Developer and Successor Agency wish to enter into this Amendment to amend certain terms of the Original Agreement in accordance with Section 65868 of the California Government Code.

### **AGREEMENT**

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Amendment to Section 5.1. The paragraph following Section 5.1.e of the Original Agreement is hereby deleted in its entirety and replaced as follows:

"Development of the Project is contingent upon Developer receiving a sufficient Tax Credit Allocation from CTCAC to enable it to finance the Project. Developer intends to submit an application for 9% Tax Credits to CTCAC in the application round for 2017. In the event that the Developer does not receive a Tax Credit Allocation for the Project in the 2017 application round, this Agreement shall automatically terminate and neither the Successor Agency nor the Developer shall have any obligation or liability to the other."

2. Amendment to Exhibit B. The Schedule of Performance set forth as Exhibit "B" to the Original Agreement is hereby deleted in its entirety and replaced by the revised Schedule of Performance attached hereto as Exhibit "B" and incorporated herein by this reference. All references in the Original Agreement to the Schedule of Performance shall now refer to the revised Exhibit "B" attached hereto.

3. Original Agreement. Except as modified by the provisions of this Amendment, the Original Agreement remains in full force and effect.

4. Capitalized Terms. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Original Agreement.

5. Counterparts. This Agreement may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument.



STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

Signature\_\_\_\_\_ (Seal)

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

Signature\_\_\_\_\_ (Seal)

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

Parcel B of Parcel Map Number 31, in the City of Kingsburg, County of Fresno, State of California, as per map recorded in Book 44 Page 60 of Parcel Maps, Fresno County Records.

APN: 396-020-17

**Exhibit "B"**  
**SCHEDULE OF PERFORMANCE**

|    |                                       |   |
|----|---------------------------------------|---|
| 1. | <b>Site Plan Approval</b>             | Concurrent with DDA   |
| 2. | <b>Low Income Housing Tax Credits</b> | Developer shall apply for Low Income Housing Tax Credits in the application round for 2017.   |
| 3. | <b>HOME Program</b>                   | Developer shall submit an application to the County within 60 days after an executed Third Amendment to the DDA.                      |
| 4. | <b>Affordable Housing Program</b>     | Developer shall apply for Affordable Housing Program funds in the 2017 application cycle.   |
| 5. | <b>Opening of Escrow</b>              | Open of escrow for purchase of the Project Property no later than 120 days following receipt by Developer of a Tax Credit Allocation. |
| 6. | <b>Closing Date</b>                   | Within 180 days following receipt by Developer of a Tax Credit Allocation.  |
| 7. | <b>Commencement of Construction</b>   | Within 30 days after Closing.   |
| 8. | <b>Completion of Construction</b>     | Within 18 months after commencement of construction.  |